

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 537 - SB 838

March 14, 2013

SUMMARY OF BILL: Enacts the “Fair and Clear Teacher Evaluation System Act”. Prohibits teaching evaluations from being based on test scores or other data from students in subjects, classes, or grades in which the teacher did not teach or have input. Requires teaching evaluations to be transparent and provide consistent and valid measurements. Prohibits student data from students who were not present in the teacher’s class at the beginning of the year or semester from being included in the teaching evaluation. Requires the observation portion of the teaching evaluation to be increased and given increased scoring weight, if pre-test and post-test data is not available. Prohibits the use of school-wide data if classroom data is available for use. Requires local education agencies (LEAs) to allow teachers and schools to choose whether to use unaltered test scores or Tennessee Value Added Assessment System (TVAAS) data for 50 percent of required criteria that is composed student achievement data. This decision shall be made collaboratively; however, teachers and principals shall have final decision-making authority for their own evaluations and those of their schools, respectively. Requires LEAs to allow a reduction in the use of student growth data to determine a teacher’s overall evaluation score, if the teacher has achieved an effectiveness level of “above expectations” or “significantly above expectations” on the observation portion of the evaluation, but the student growth data reflects an effectiveness level of “below expectations” or “significantly below expectations”. Requires the evaluation structure to minimize paperwork, reporting, and testing so that instructional time may increase. The effective date is July 1, 2013.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$139,500,000

Other Fiscal Impact – Federal funding exceeding \$100,000,000 may need to be repaid by the state to the federal government, or federal funds of a similar amount could be jeopardized in the future if the provisions of this bill do not align with Tennessee’s Race to the Top grant application and the federal No Child Left Behind Waiver.

Assumptions:

- According to the Department of Education (DOE), there are an estimated 930,000 students in grades kindergarten through 12.

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- Each student will take two new assessments; a pre-test and a post-test in every subject that is currently not a part of end-of-course or Tennessee Comprehensive Assessment Program (TCAAP) tests.
- Students will take an off-the-shelf test purchased annually at a cost of \$25 per test.
- DOE estimates that each student will take a minimum of two tests in three subjects; a total of six tests. The total expenditures for tests per student are estimated to be \$150 (\$25 x 6).
- The recurring increase in state expenditures to purchase tests is estimated to be \$139,500,000 (930,000 x \$150).
- DOE and the Comptroller are unable to determine whether federal funds will be placed in jeopardy as a result of this bill. Tennessee received over \$500,000,000 in federal Race to the Top funding.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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